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LEGISLATURE CONVENES

On Monday, the Legislature opened its 2003-04 legislative session. Both houses met to swear in new members, and to elect their respective officers for the new session. There were no changes in the leadership positions. In the Assembly, Herb Wesson (D – Los Angeles) was re-elected speaker, and <u>Dave</u> Cox (R – Sacramento) will continue to serve as Minority Leader. In the Senate, John Burton (D -San Francisco) remains as President pro Tempore, and Jim Brulte (R - Riverside/San Bernardino) was re-elected Minority Leader. The Senate Rules Committee members also remain the same: Burton (chair), Ross Johnson (R - Orange County, Vice Chair), Bette Karnette (D - Long Beach), Pete Knight (R - Lancaster/Palmdale), and Gloria Romero (D - Los Angeles).

The Legislature adjourned Monday afternoon, but will return on Monday, December 9, to meet in special session <u>proclaimed</u> by Governor Davis to deal with the state's massive budget deficit. As of today, the deficit is estimated to be somewhere between \$21 and \$30 billion - depending upon which budget "expert" you want to believe.

The plan of action for Monday's special session is for both houses to review a package of "budget cuts, recaptures, and other budget adjustments" that Governor Davis announced that he would be issuing on Friday, December 6. One of our Senate sources reports that Davis will ask for \$5 to \$8 billion in spending cuts for the rest of the fiscal year. Both Democrats and Republicans in the Legislature publicly acknowledge the need for spending cuts. However, the Democratic legislative leadership maintains that tax increases also are necessary, while Republican leaders adamantly reject any call for tax increases.

The key differences between a special session and a regular session are:

- Certain procedural requirements (e.g., the constitutional 30-day waiting period before bills can be heard) do not apply, making it easier for legislation to be heard and passed quickly;
- Bills enacted by a simple majority vote at a special session take effect 91 days after the adjournment of the special

- session, rather than at the beginning of the next year;
- Bills introduced during a special session do not count against the bill introduction limit imposed on legislators by their rules.

However, the special session does not remove the requirement that any tax increase or appropriation by approved by a two-thirds vote of both houses. Because the Republicans gained two seats in the Assembly and one seat in the Senate, getting a two-thirds vote from both houses therefore is expected to be very difficult.

FIRST BILLS OF THE NEW SESSION INTRODUCED

The members of the new Legislature introduced 116 pieces of legislation during Monday's brief session. The Assembly saw the introduction of 56 proposed statutory changes (true "bills"), four proposed Constitutional amendments, and 11 resolutions ranging from the organizational (HR 1, the Standing Rules of the Assembly) to ceremonial (ACR 4, honoring the Anaheim Angels). Senators introduced 33 bills, two proposed constitutional amendments, and 10 resolutions.

Though the subject matter of the new bills was wide-ranging, privacy issues were preeminent. Heading the list was <u>SB 1</u> by Senators <u>Jackie Speier</u> (D – San Francisco/San Mateo) and Burton. This latest privacy bill, pertaining to financial institutions (banks, insurance companies, and stock brokers) is another attempt to provide privacy protections for consumers. Similar bills have been heard by the Legislature since early 2000. All of these financial privacy bills have proved to be very controversial and they have all failed to pass both houses of the Legislature.

Other privacy-related legislation includes AB 7 (Corbett), AB 46 (Simitian) relating to identify theft, SB 12 (Bowen) relating to electronic "spam," SB 25 (Bowen) relating to consumer credit reporting, SB 27 (Figueroa) relating to disclosure to direct marketers, and SB 33 (Figueroa) relating to "do not call" lists.

To view a list of the bills introduced, go to: http://www.calbar.ca.gov/calbar/html unclassified/ViewBillCatalogs.html.